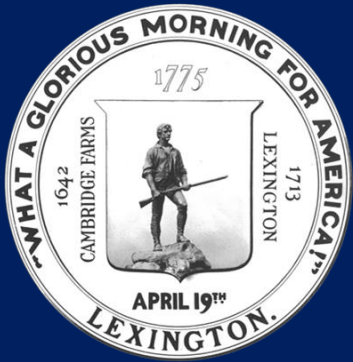


SPECIAL TOWN MEETING

Article 2

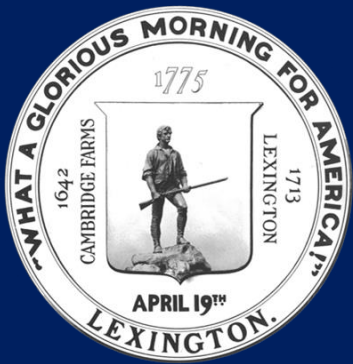
Appropriate for Middle Schools Funding Plan

*Prepared by Town Manager's Office
and Finance Department*



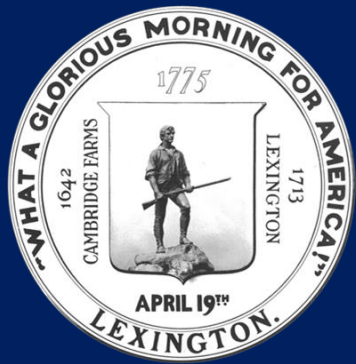
Article 2 – Funding Plan

- **Taxpayer Impact 1: Funding Plan for All Major Capital Projects: 2016-2021**
- **Taxpayer Impact 2: Funding Plan for Subset of Projects: Modular Classrooms, Middle Schools, Hastings and Engineering/Design**
- **Use of Capital Stabilization Fund to Mitigate Taxpayer Impact**



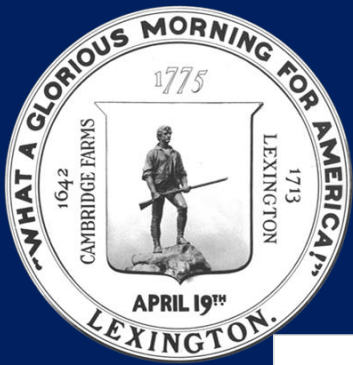
2016 – 2021 Capital Plan: Likely Exempt Debt

▪ Project Design (March 2015)	\$ 4,080,000
▪ Project Design & Elem. Modular Class. (Dec. 2015)	\$ 5,385,000
▪ Clarke (March 2016)	\$ 19,941,058
▪ Diamond (March 2016)	\$ 42,255,189
▪ Hastings-net of MSBA funding (Feb. 2016 & 2017)	<u>\$ 42,000,000</u>
SUBTOTAL	\$113,661,247
▪ New Lexington Children's Place (2017/2018)	\$ 11,025,000
▪ High School HVAC (2016/2017)	\$ 13,125,000
▪ Pelham Property (2016)	\$ confidential
▪ Fire Station (2017/2018)	\$ 19,200,000
▪ Police Station (2018/2019)	<u>\$ 19,800,000</u>
SUBTOTAL	<u>\$ 63,150,000</u>
TOTAL	\$176,811,247

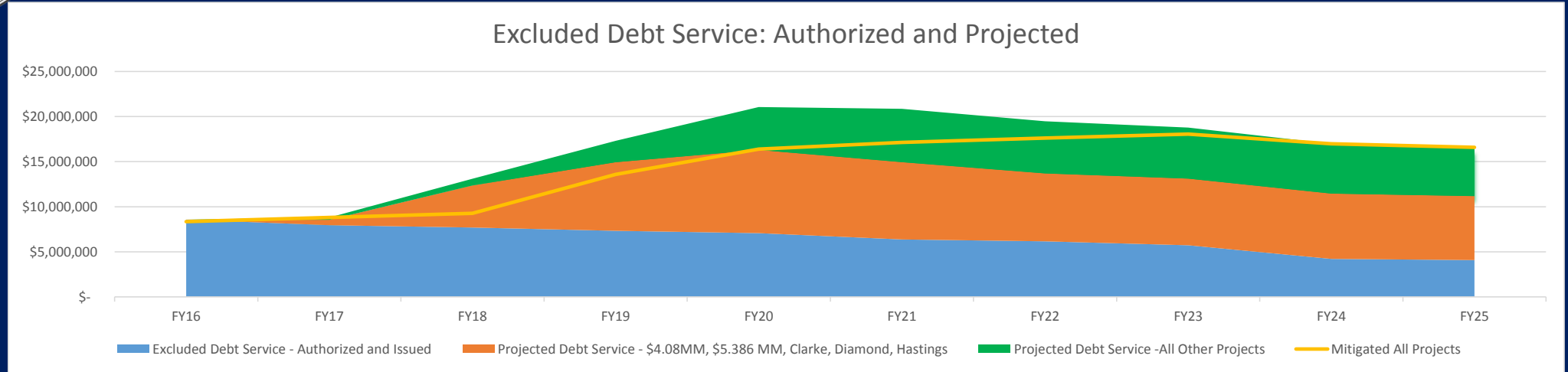


Factors in Managing Debt and Taxpayer Impact

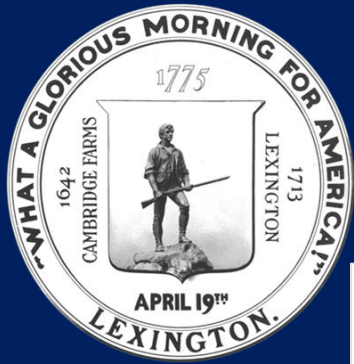
- Existing Exempt Debt Service is Decreasing
- \$21,000,000 in Capital Stabilization Fund
- Low Interest Rate Environment
- Manage Debt Service and Taxpayer Mitigation to Lessen Increases in Property Tax Bills



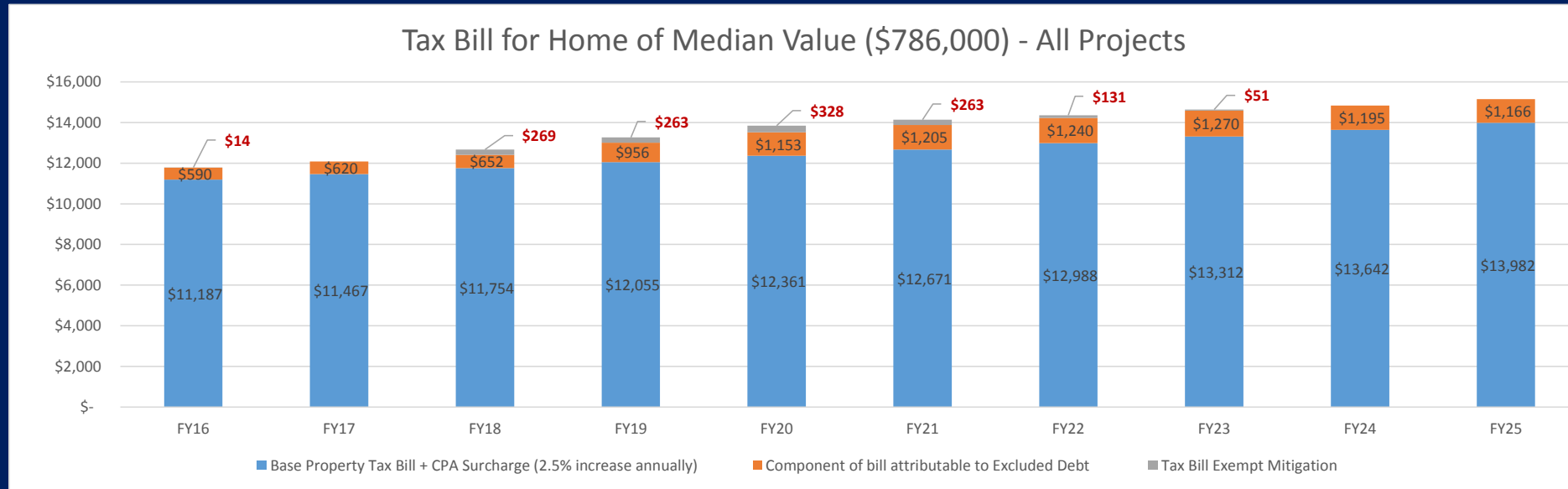
Existing and Proposed Excluded Debt Service



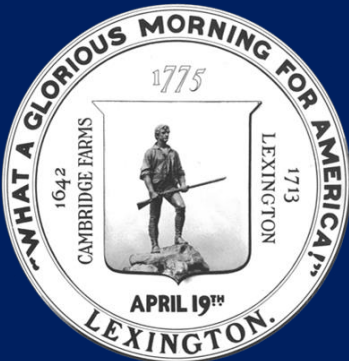
	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Excluded Debt Service - Authorized Issued and Projected Unissued	\$8,572,202	\$ 7,949,726	\$ 7,690,949	\$ 7,327,631	\$ 7,069,103	\$ 6,370,134	\$ 6,161,475	\$ 5,724,934	\$ 4,214,176	\$ 4,080,861
Projected Debt Service - \$4.08MM, \$5.386 MM, Clarke, Diamond, Hastings		\$ 604,647	\$ 4,663,879	\$ 7,611,080	\$ 9,233,324	\$ 8,579,452	\$ 7,540,376	\$ 7,394,400	\$ 7,248,425	7,102,449
Projected Debt Service -All Other Projects		\$ 260,375	\$ 736,342	\$ 2,370,691	\$ 4,739,848	\$ 5,909,671	\$ 5,779,804	\$ 5,649,938	\$ 5,520,071	\$ 5,390,204
Total Excluded Debt for All New Projects		\$ 865,021	\$ 5,400,221	\$ 9,981,771	\$ 13,973,173	\$ 14,489,123	\$ 13,320,181	\$ 13,044,338	\$ 12,768,496	\$ 12,492,653
Total Mitigated Debt Service All Projects	\$8,357,202	\$ 8,814,748	\$ 9,267,264	\$ 13,578,762	\$ 16,378,976	\$ 17,128,617	\$ 17,616,336	\$ 18,048,273	\$ 16,982,672	\$ 16,573,515



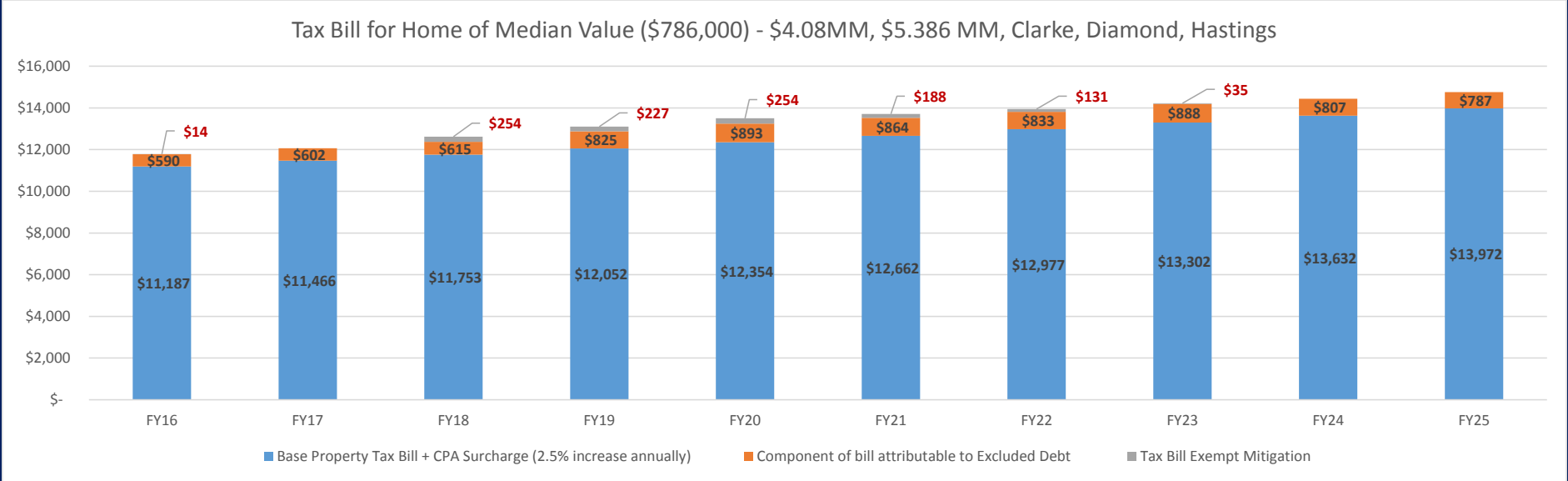
Taxpayer Impact 1 – All Projects



	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Base Property Tax Bill + CPA Surcharge (2.5% increase annually)	\$ 11,187	\$ 11,467	\$ 11,754	\$ 12,055	\$ 12,361	\$ 12,671	\$ 12,988	\$ 13,312	\$ 13,642	\$ 13,982
Component of bill attributable to Excluded Debt	\$ 603	\$ 620	\$ 921	\$ 1,218	\$ 1,481	\$ 1,468	\$ 1,371	\$ 1,321	\$ 1,195	\$ 1,166
Total Tax Bill	\$ 11,790	\$ 12,087	\$ 12,675	\$ 13,273	\$ 13,842	\$ 14,139	\$ 14,358	\$ 14,633	\$ 14,837	\$ 15,148
Less: Mitigation:	\$ (14)	\$ -	\$ (269)	\$ (263)	\$ (328)	\$ (263)	\$ (131)	\$ (51)	\$ -	\$ -
Tax Bill After Mitigation	\$ 11,776	\$ 12,087	\$ 12,406	\$ 13,011	\$ 13,514	\$ 13,876	\$ 14,227	\$ 14,582	\$ 14,837	\$ 15,148
\$ Change		\$ 311	\$ 319	\$ 605	\$ 503	\$ 362	\$ 351	\$ 355	\$ 255	\$ 311
% Change		2.6%	2.6%	4.9%	3.9%	2.7%	2.5%	2.5%	1.7%	2.1%



Taxpayer Impact 2 – Elementary & Middle School Projects



	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Base Property Tax Bill + CPA Surcharge (2.5% increase annually)	\$ 11,187	\$ 11,466	\$ 11,753	\$ 12,052	\$ 12,354	\$ 12,662	\$ 12,977	\$ 13,302	\$ 13,632	\$ 13,972
Component of bill attributable to Excluded Debt	\$ 603	\$ 602	\$ 869	\$ 1,051	\$ 1,147	\$ 1,052	\$ 964	\$ 923	\$ 807	\$ 787
Total Tax Bill	\$ 11,790	\$ 12,068	\$ 12,622	\$ 13,103	\$ 13,501	\$ 13,714	\$ 13,941	\$ 14,225	\$ 14,439	\$ 14,759
Less: Mitigation:	\$ (14)	\$ -	\$ (254)	\$ (227)	\$ (254)	\$ (188)	\$ (131)	\$ (35)	\$ -	\$ -
Tax Bill After Mitigation	\$ 11,776	\$ 12,068	\$ 12,368	\$ 12,876	\$ 13,247	\$ 13,526	\$ 13,810	\$ 14,190	\$ 14,439	\$ 14,759
\$ Change		\$ 292	\$ 300	\$ 508	\$ 371	\$ 278	\$ 284	\$ 380	\$ 249	\$ 320
% Change		2.5%	2.5%	4.1%	2.9%	2.1%	2.1%	2.8%	1.8%	2.2%